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FACING TWO WAYS ON GERMANY

by William Henry Chamberlin

We faced two ways for several years in China, and fell heavily on our face as a result. Due to the pulling and hauling of various forces in the State Department and other Government agencies, we could not make up our minds either to support the Chinese Nationalists effectively or to go all-out for appeasement of the Communists.

The result is that we have been almost literally kicked out of China, to the accompaniment of insult such as American official representatives have not suffered in that country since the Boxer Uprising. It is mere statement of obvious fact to say that the entire sacrifice of blood and treasure represented by the Pacific side of our recent crusade has been nullified by the Communist conquest of China.

Today we are facing two ways in Germany. If we do not learn something from our Far Eastern experience, and soon develop a realistic and consistent German policy, we shall face a debacle of major proportions there also. We have an even bigger stake in the success of the Bonn Republic than we had in the maintenance of Chiang Kai-shek. If we lose Germany the chances of holding the rest of Western Europe will be dim.

Our wiser and more farsighted statesmen and administrators at home and abroad appreciate this situation. It does not, after all, require great perspicacity to realize that the cold war against the Soviet Union cannot be won unless West Germany is enlisted on our side as an equal partner. But the framing of an intelligent policy toward Germany is gravely handicapped by the irresponsible, prejudiced character of much reporting and much comment on the contemporary German situation. For some reason it is only the dark view of the Bonn regime that is apt to find expression in our more influential newspapers and magazines. As a result American opinion is constantly being led off on false scents.

Twin characteristics of the foreign policy of Franklin D. Roosevelt were unlimited trust in the peaceful disposition and benevolent intentions of the Soviet dictatorship and a determination completely to obliterate Germany and Japan as major Powers. The Teheran and Yalta concessions to Stalin, the Unconditional Surrender slogan, the Morgenthau Plan (much of which was embodied in the Potsdam Agreement), the first

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Level of Industry Agreement and the notorious JCS 1067 can only be explained on this assumption. Obviously, if the Kremlin could not be trusted, the destruction of Germany and Japan was an objective of very questionable wisdom, since it was calculated to destroy all semblance of balanced power, creating vacuums in Europe and Asia for Russia to fill.

II

Barring Communists and an irreducible hard core of fellow travellers, most Americans have been disabused of their wartime illusions about the "peace-loving" character of Stalin's dictatorship. But many still fail to recognize the inescapable logic, given the fact of the cold war, of winning Germany as an ally, not as a mere satellite.

In consequence the primary objectives, of strengthening the position of the Adenauer government, and of making possible a self-supporting economy in Germany, are often overlooked. There is much woeful breast beating about the alleged failure of "re-education" and de-Nazification; about the supposed sinister influence of cartels. Absurd as is the suggestion on the face of it, totally disarmed West Germany is sometimes singled out as a menace to world peace.

The really important basic realities of Germany today are often completely obscured by prejudiced and superficial comment, designed to revive war passions and to stir up fears which might have been reasonable in 1940, but are grotesque in 1950. What are these realities?

(1) Germany has been irretrievably destroyed as a major Power. To be convinced on this point one need only look at a globe and compare the microscopic space represented by West Germany with the vast areas of the United States and of the Soviet Union. Take any basis of comparison: manpower, natural resources, industrial output and capacity, and the same conclusion is confirmed. Germany is no longer a major piece on the political chessboard.

(2) The economy of West Germany is extremely vulnerable and dependent on economic relations with the outside world. The population and area are roughly comparable with those of Great Britain. But Britain possesses a considerable, if shrunken empire. Britain enjoys preferential access to the markets of the far-flung sterling area. West Germany has no foreign investments, no preferential markets anywhere. It is quite incapable of raising enough food for its own needs; is literally dependent for bread on ability to sell enough goods and services abroad to finance purchases of foodstuffs and raw materials.

(3) West Germany suffers not only from the prodigious destruction of its cities by bombing, but also from some peculiar political, eco-

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nomic and social handicaps. There is no economic rhyme or reason in the line of demarcation which cuts the Soviet zone off from the rest of Germany. The position of the Western sectors of Berlin, an island of freedom in a totalitarian sea, surrounded by the Soviet zone, is a constant invitation to Soviet harassment, illustrated by the "baby blockades".

Some eight million people, between 15 and 20 per cent of the population of West Germany, were dumped there as destitute refugees from Germany's eastern provinces and from the Sudetenland region of Czechoslovakia. It has been one of the most atrocious uprootings of population recorded by history. No wonder there are over two million unemployed in West Germany. Already crowded to suffocation, this country is also attempting to absorb 350,000 fugitives from the Soviet zone and 250,000 returned war prisoners. An important contributory cause of unemployment is the economic strait jacket in which the German economy has been placed as a result of ruthless dismantling, discriminatory restriction of production in steel and shipbuilding and arbitrary foreign interference with German exports.

III

One might imagine that these important and indisputable facts would be reflected in news correspondence and magazine articles about Germany. Unfortunately this is very seldom the case. A composite survey of the material now appearing in print about Germany would have the following pattern.

The Germans are a thoroughly untrustworthy people, and nationalism and Nazism are rampant among them. De-Nazification has been a failure, and this is also true as regards re-education. The Occupation regime has not been punitive at all and has treated the Germans far too mildly. The greatest danger in Europe would be to "let the Hun have a gun". All Germans are pretty bad, but any German who has ever run a successful business is a villain of the deepest dye. Sinister cartels are rampant in the Ruhr and elsewhere, and are really a greater menace than the Red Army or the Cominform.

If anyone thinks this is an exaggerated caricature of what passes for interpretation of German conditions let him check up on the dispatches of Drew Middleton and other correspondents in Germany and on the articles which are regularly published in such opinion-forming magazines as The Atlantic Monthly and Harper's, The Nation and The New Republic. The Atlantic Monthly during the present year has published two articles on Germany by a refugee named Otto Zausmer. One is largely devoted to

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deploring the failure of re-education. The other points with alarm to the revival of German industry.

Two articles in Harper's closely follow the well-worn negative line. One by Fred Hechinger, in the January issue, was entitled "The Eagle Without the Swastika". Its reliability may be judged from the fact that the author refers to the "mythical 'punitive phase' of the Occupation" and states flatly that no part of the Morgenthau Plan was ever put into effect.

Anything more punitive than the first years of Occupation, when there were many thousands of arbitrary arrests and the German economy was paralyzed by such measures as the confiscation of patents and foreign assets and crippling restrictions, could hardly be imagined.

As regards the second point, General Clay, in his Decision in Germany, writes (p. 11): "This was the policy advocated by Secretary of the Treasury Henry Morgenthau, Jr."

The other Harper's contribution is by General Telford Taylor, prosecutor in the war crimes trials, who tries to sustain the contradictory thesis that rearmament of Germany is both useless and dangerous.

IV

Clear and realistic thinking about the logic of the cold war in Germany is obscured by the curious fuzzy curtain of prejudice that has pretty effectively permitted only the negative view of post-war Germany to find expression. If the international situation were tranquil one might wait for prejudice to die down with the passing of time. But time is very short.

If we hope for victory in this vital sector of the cold war the following steps must be taken, and taken soon. The whole cumbersome and irritating apparatus of foreign controls in West Germany should be dismantled. The High Commissioners should become Ambassadors and the West German government should receive full attributes of sovereignty, subject only to such abrogations as all members of a West European federation might voluntarily agree on. All one-sided restrictions on German trade and industry should cease. Let the free market decide how much steel Germany should manufacture and what kind of ships Germany should build.

We are working against time and we simply cannot afford the luxury of wallowing in war prejudices and one-sided Leftist prejudices about Germany. A new version of the Stalin-Hitler Pact would be an even greater blow to American interests than the fall of Chiang Kai-shek in China. For then Western Europe would go the way of Eastern Asia.

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Not Merely Gossip *A Supplement to* Human Events Vol. VII, No. 12

MAR 27 1950

By Frank C. Hanighen March 22, 1950

BUSINESS PROSPECTS: Last week, in Chicago, we gave thanks that there is a Chicago. The bracing, dry cold of the Midwest metropolis; those police whistles (which always astonish us), more like war whoops or rebel yells than traffic signals; the blunt, forthright ways of the people out there -- all offered a stimulant lacking in the East. Such impressions colored our reception of one much-discussed topic of the town -- how two great leaders of business differ over the prospects of business in this country. The twain are rivals in their field, Sewell Avery of Montgomery, Ward and Company and General Robert E. Wood, of Sears, Roebuck and Company. Both are straightforward individuals, who have shown a courage in the political field not often seen among business men elsewhere. Wood stood his ground as head of the America First Committee in 1940-41, when it was not popular to do so. Avery defied Federal power when he refused to yield to the Department of Justice in 1945 and was forcibly removed from his office by soldiers. Today they differ outspokenly about the continuance of our present business boom. In crude parlance, Wood is "bullish", Avery "bearish".

In the Chicago clubs, they talk about Avery's recent utterance to a stockholders' meeting, when he said in effect, "conserve your capital and watch out for an early recession". Those who know the head of Montgomery, Ward say he likes to study a certain chart which traces price changes over the past century. He points to the high level today as the top of an inflationary curve, and then to the sharp, descending line from the peak in previous business situations.

General Wood, in a recent speech to the Cotton Merchants Association, voiced a different view. He stressed the great change which took place in the Thirties when the U.S. went off gold and the politicians took possession of a powerful tool, the management of money and credit. "I am firmly convinced", he remarked, "that they [the politicians] will use their tool of money management to stave off incipient recessions or depressions and I can see no reason why (barring war) they should not be successful over a number of years, particularly in a country as strong and as rich as the United States. In Britain the end is apt to come within a couple of years or as soon as we withdraw our aid from that country."

In other words, Wood thinks that the boom will hold up -- over the "short run". But he shows concern over the instrument of "managed money", and he fears that it may become a "habit-forming drug". Thus, the main difference between Avery and Wood involves the short-term future of business, under such controls. But both men look with alarm at the long-term prospect and warn that, for the long run, we have taken a very risky road.

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JESSUP: Dr. Philip C. Jessup, storm center in the present probe of the State Department, was a member of the America First Committee in the pre-war days. This surprising fact was brought to our attention by a real authority, Mr. John T. Flynn, who was one of the leaders of America First in 1940-41. His disclosure makes the Jessup case particularly bewildering, all the more so because Jessup, while supporting the America First policy of keeping out of the European war, was advocating an "interventionist" policy in the developing Far East situation. Jessup favored U.S. diplomatic intervention on the side of China against Japan. All in all, it seems that the Senate probers need to trace very carefully the varying alignments and attitudes of the "experts" who helped shape our policy in Asia. There are other

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"Far Eastern experts" whose policy was consistent, who exerted more influence on the shaping of the U.S. course in Asia and, in the view of some observers, whose careers deserve more attention from Senator McCarthy than the record of Dr. Jessup.

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CONTROL OF THE PURSE: Edna Lonigan reports the following from Capitol Hill. There have been a surprising number of small engagements in Congress recently in which the lawmakers clipped the spending of the Fair Deal. Several appropriations for "noble" causes have been denied. Congress proposes to bring the whole budget in at once, in order to put a limit on spending and keep it in line with taxes. Every item of expenditure is now subject to the minutest analysis on the Hill, but it is still technical financial analysis. It is addressed to the President and the bureau heads; it is almost unheard of by the public. However, the spending issue today is not technical but political; not dollars but power.

The reason for the failure to understand this distinction lies in part in the historic background of the American Congress. That body has never, like the British Parliament, fought out the Constitutional issue of whether the people should control their own money through their representatives, or give their executive a blank check. President Truman presented a budget of about $50 billion in peacetime, with a deficit of five to ten billions and new welfare spending still to come. Such a concentration of political power must be opposed by another kind of political power; not by statistics.

Congress cannot meet the political issue until it ceases to talk technically to the President and the department heads and begins to talk to the people in their own language. Curtis of Nebraska was moving in that direction when he said, "They do not have any intention of paying off the debt. . . . They continually bring in bills for matching purposes, for hospitals, airports, science foundations, socialized housing, libraries and everything else. They have no intention of ever balancing the budget and you know it." Johnson of California said that Government bond buyers had lost $85 billions of purchasing power since the war, as a result of Government spending. Congress has the spirit. It need only find the sledge hammer ideas that will bring home to the people the meaning of the power of the purse.

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MIDDLE CLASS WELFARE: On January 6, the President sent to Congress the first of a series of measures designed to include the middle classes in his Welfare State. Old observers on Capitol Hill remarked, "If the Government begins to support the middle classes, who will support the State?"

The plan called for a billion dollar "co-operative" housing program for families earning from $2,700 to $4,400 a year. The Government was to provide the initial capital, and the "technical assistance" (the latest name for planning), and to guarantee the loans of the "co-operative" associations for 50 to 63 years. Officials of the Federal Reserve Board made clear that this billion of new loans would be added to the present Government debt, and serve for new expansion of bank credit. These loans would not add new housing but would increase the cost of labor and materials, and make both the height and the depth of the business cycle worse than they would otherwise be.

This measure came to a vote in the Senate last week and was defeated after a debate in which Senator Bricker delivered the coup de grace. After it had been described as a great boon to the poor middle classes, Senator Bricker said, "Two hundred per cent of the original investment will be paid out in the life of these projects in interest to the United States Government" -- in short, a loan shark's ex-

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action. Few people would ever live to see their homes paid for, and most of the buildings would not last as long as the mortgage. But his examination of the "co-operatives" was the finishing touch. The buyers would never own their own homes. The co-operative associations were to keep the right to repurchase, which meant they could put a member out for "cause". The associations would be any Government approved groups -- like Walter Reuther's union, for example. Only members of such approved groups would get the subsidies. This sounded a little like the PAC. The vote was "No".

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MRS. ROOSEVELT: The spectacle of Mrs. Roosevelt scuttling for cover, after public wrath boiled over at the announcement that Paul Robeson would appear on her television program, has called up memories of other flustered retreats which the lady has made in the past. It's difficult to get Mrs. Roosevelt in focus. Despite Pegler, her following remains prodigious five years after her husband's death. Cardinal Spellman took a drubbing at her hands last year in the bout over aid to education. No one can criticize her without being denounced as no better than a child stealer. Yet it is the fact that she does welsh on bets she has made with her eyes open and there is a flavor of meanness in the way she does the welshing.

Back in the summer of 1939 Dorothy Dunbar Bromley interviewed the First Lady and then wrote an article for Harper's called "The Future of Mrs. Roosevelt". Those were tense days in the fight against intervention. Mrs. Bromley was against our participation in the oncoming war and, considering the bitter feeling of the time, her article was remarkable for its poise, fairness and generosity. Her piece contained the following passage: "During her early years in the White House Mrs. Roosevelt went about the country lecturing on 'The Way to Peace'. In 1935 she inspired Mrs. O. D. Oliphant, past National Commander of the American Legion Auxiliary, to condemn her as the country's 'Number One Pacifist'. Now, four years later, Mrs. Roosevelt's utterances on peace and war will make ironic scanning for men who hold that women preach peace in peacetime and accept war in wartime. . . . The keynote of her thinking on foreign problems, and of her husband's too, as his 'quarantine' and 'short of war' speeches have shown, is our responsibility to the rest of the world.

"When I talked with Mrs. Roosevelt in July she said that she believed that if war came in Europe our people would be so aroused by the tactics of the Fascist nations and so persuaded by economic considerations that they would not want to stay out. If we should stay out, while feeling that we had something at stake in Europe and that France and England were fighting our battle, we should be, she thought, 'doing something to our people spiritually. We should be living for ourselves alone.' "

"Oh, no", said Mrs. Roosevelt when queried by the press, "that isn't what I said at all." Then she read it aloud and went on to relate that, in the course of the interview upon which the article was based, Mrs. Bromley had appeared dismayed at what she, but not Mrs. Roosevelt, regarded as a "change" of mind on the part of the First Lady. "I did not think I had changed", Mrs. Roosevelt said, adding that she had never been an advocate of peace at any price and never had believed that a nation could at will safely disarm itself regardless of the actions of others. She said she felt it might be impossible under certain conditions for nations conscientiously to avoid war, and had so stated to Mrs. Bromley, though not at all with reference to American participation in present European wars, which Mrs. Bromley seemingly had believed to be her meaning. Next day Mrs. Bromley revealed to the Times that Mrs. Roosevelt had read and corrected the article in manuscript before publication. Mrs. Bromley described in detail how the article had been altered to conform to Mrs. Roosevelt's desires and quoted at length from Mrs. Roosevelt's letter to her about the matter. Yet all of the antecedent evidence did not deter Mrs. Roosevelt from repudiating the article.

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Book Events

The Mature Mind, by H. A. Overstreet. New York: W. W. Norton and Company. $2.95. Reviewed by Frank Chodorov.

The disposition to prove our prejudices is hard to shake off, even for a man of science. This pride of opinion asserts itself particularly in those sciences that deal with facts that cannot be subjected to laboratory measurement; that is, sciences dealing with man and his ways. The researcher in these fields is more than likely to select evidence supporting his fixed ideas, to reject or minimize facts that might disprove them. His interpretations carry his bias.

For that reason, in judging the value of a book concerned with the social sciences it is important to separate the conclusions reached by the author from the evidence and reasoning leading up to them. The preparatory work may be sound; the conclusions may not follow logically from it. The author may have been tricked into an "undistributed middle" by his prejudices.

The Mature Mind -- which, by the way, has attained the status of a "best seller" -- is a case in point. The first part of it, called "The Maturity Concept", puts forth an altogether convincing argument for an altogether common concept. In common usage, "maturity" describes a capacity to accept responsibility. The symbol of immaturity is the helpless infant, while the maturity of the growing child is measured by the degree of self-reliance it displays in its thinking and behavior. Mr. Overstreet lends support to this common concept with the idioms of psychology, and explains how the tendency of the individual toward maturity is furthered or repressed by outside influences. "A mature person", he says, "is not one who has come to a certain level of achievement and stopped there. He is rather a maturing person -- one whose linkages with life are constantly becoming stronger and richer because his attitudes are such as to encourage their growth rather than their stoppage." In his discussion of these "linkages" the author is illuminating.

You cannot help but ask yourself, as you read these pages, "Am I mature?" and "What must I do to attain maturity?" Perhaps that explains the popularity of the book; it is strongly suggestive of the "how" formula that makes self-improvement books saleable. Not that the author descends to preachment or guidance aphorisms, but that he implies the possibility of full maturity for all who will try for it. And that, obviously, is a preconception, not a conclusion resulting from objective observation. It is still a moot question whether nature has not put limitations on the degree of maturity each of us may attain under the most favorable of circumstances. Mr. Overstreet ignores that question.

When, in the latter and larger part of the book, entitled "Forces that Shape Us", the author deals with the bearing of social, political and economic influences on maturity, you suspect that he has given the word a meaning favorable to his preconceived notions. Maturity becomes a collective rather than an individual characteristic. For instance, he implies that acceptance of one-worldism, and inferentially of United Nations, is a mark of maturity, and it follows that those who see in that sort of thing an illustration of mass-infantilism are quite immature. Am I immature because I see in parent-teacher organizations a deterrent to sound education? Or because I reject the idea that any social good can come from political action? Or because, having seen how committees for the improvement of this or that act as immaturely as the lowest common denominator of their membership, I decide to stay clear of them and concentrate on self-improvement? Mr. Overstreet would probably say that I am, judging by the latter part of his book.

Thus, what starts out to be a severely objective book is inundated with subjective overtones. And you cannot avoid the impression that despite its pretensions to scientific exactitude it is a piece of special pleading.

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European Supplement *to* Human Events Vol. VII, No. 12

By Bertrand de Jouvenel PARIS -- March, 1950

RETREAT OF SOCIALISM: The French President's formal visit to England offers an opportunity to take stock of the political trend in Europe. The visiting President, M. Auriol, is a Socialist; the welcoming Prime Minister, Mr. Attlee, is a Socialist. In 1947 or even 1948 this coincidence would have been underlined by the Socialist press of both countries, as a sign that Western Europe was promised to Socialism; and indeed almost wherever one looked, the Socialists were in the saddle. They even loomed as the prospective leaders of the Western Germany then taking shape. Now, however, this meeting of Socialists merely testifies to the former high tide of Socialism. The British Prime Minister has barely retained office after a general election which has proved the recession of Socialism in Britain and he is bereft of any power to lead the country further into Socialism. As for the French President he is a reminder of a situation which has disappeared since the day when the Socialists formed the center of gravity of the Fourth Republic and lead its governments: since his election they have ceased to head the governments and finally ceased to participate in them. Wherever we now look the French picture rather than the British is repeated: the Socialists are out in Belgium, Italy, Germany, Austria and so forth. Continental Western Europe where the Communists called the tune at the close of the war has not only shaken out of office the Communists but also the Socialists. The swing back in Continental Western Europe has been far more pronounced than in Britain.

Gone is the picture of a Socialist Europe standing midway between Communist Russia and capitalist America. This picture was fancied in Transport House, the seat of British Labor power. There was indeed a moment when the Socialists of Continental Europe under the influence of Transport House took the lead in the anti-Communist fight: it was then suggested to American opinion that Communism could be beaten back only if Socialists marshalled the forces of resistance: and at the same time it was suggested to European opinion that Socialism was Europe's best chance of unity and peace. All this now belongs in the past.

The future, however, is far from clear. The elimination of Socialists from Continental governments should logically usher in a period of vigorous liberal policies. Unfortunately it seems that their removal promises merely negative effects. Nothing they did is to be undone; to wit, the nationalizations and the wage-depressing structure of social security. Some of the things they did shall not be done any more; that is, the massive inflationary investments mostly in the nationalized industries and services are to be stepped down. But surely something more positive is called for.

The economic situation seems on its way to deterioration. Activity is slightly on the downgrade from its 1949 ceiling and unemployment sets in here and there. Now is the time for private enterprise to step in. But there are obstacles. Capital is scarce and industrial investment uninviting; and the industrialist's life is one of great difficulty. Nor is the constant fear of war favorable to creative investment: enterprise and capital are more apt to embark upon short-term commercial operations than upon the creation of plants, unless State orders and State finance can be obtained.

The spirit of enterprise might be reinvigorated or rather, as it has not gone out of existence, channelled back into the field of production proper were political leadership favorable. But it is a remarkable feature of post-war Europe that those

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political forces which embodied an individualist philosophy have almost disappeared. The heirs to Socialist leadership are, over the whole of Western Europe, Christian Democrat governments which often have as their economic ministers men of liberal views, but which are largely inclined to prefer a mixture of corporatism and mild Socialism. There is, in short, far less revulsion from Socialism than might be expected. And there is danger that the post-Socialist period may be one of unclear, fumbling policies.

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POLYCENTRICITY OF STATISM: Professor Michael Polanyi who is going to the University of Chicago for a term (before giving the famous Gifford Lectures in Scotland) has worked out an important social theory. He contends that Socialist advocacy of decisions taken at the center and ruling the whole economic body rests upon a fundamental error: it is an error to believe that the decisions can in effect be centralized. No central mind can cope with the number of decisions to be taken, the power of decision has to be delegated down or farmed out and in fact the claim of co-ordination and coherence offered on behalf of the planned society is unfounded, for it rests upon a mythical conception of the central mind.

How true this is one finds if one stops to watch Statism in action. We speak figuratively of the railways, the coal mines and the central bank (when all are nationalized as in France) as having come into one hand. But it is quite obvious that they must of necessity remain in different hands, and even though these hands are chosen by "the government" it does not mean that they work as one. The other day I was questioning one of the chief figures in our nationalized coal mines and he gave me very interesting data about developments in a single one of the areas. I then asked about another area, and this key man's answer was: "Ah well, the data I gave you I got from a personal friend who is important in his area. But what they do in that other area I am not clear about." This is natural; this is how things are. But they were not so imagined. In the course of a sustained attempt to elicit facts about the finances of a certain nationalized industry I heard the head of a financial department tell me: "I know less about their accounts than about those of _____." And he named a private corporation.

It is readily understood that a nation is something very complex which no mind can master. What is not so readily understood is that when the State has absorbed over a third of the nation's activities (as in France where 35 per cent of wages and salaries paid out are paid by the State and the proportion of the national assets held is, if anything, higher) no mind in the State can master the State's activities which are in fact not co-ordinated and incoherent.

Big Government in short ceases to be government at all. When the State takes over the chief deposit banks, as has been done in France, it does not mean that the State henceforth runs these banks. It merely means that the government then in office appoints some people to run them who may or may not sympathize with the members of the next government or even with members of the present government other than the man who appointed them.

The real nature of Big Government has strikingly been displayed in France on the occasion of the so-called "Affair of the Generals". The main revelation of the affair has been that in the War and Overseas departments two different clans fought each other tooth and nail, on policies to be followed and appointments to be made in Indo-China. This phenomenon is perhaps not unknown in other countries. The bigger the government the more frequent, the more inevitable this trait.

I remember having been impressed perhaps a quarter of a century ago by maps of interlocking directorates which were designed to show the "occult power of capitalists". Now, with the experience of Big Government, one would like -- if it were possible -- to draw a similar picture of government, showing who is responsible for

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what and what straddling influences are exerted at what point. But Big Government is really "occult" and no one is in a position to draw the map. Thus those decisions which purport to be the decisions of the people are those about which we know least. Only a great expert on a certain department can tell you who in fact has been the policy-maker in a given instance; and the responsibility for making the decision of policy can always be disavowed.

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FRANCE UNDER COMMUNIST FIRE: As foretold in the last letter France is in the throes of a violent Communist offensive. Its avowed object is to sabotage American military aid. Its effect is to destroy the credit of the Fourth Republic, in the minds of Frenchmen, as a regime incapable of preserving law and order.

The Communist assault is four-pronged. First the sabotage has begun in the case of material for Indo-China. It has gone unpunished and the articles inciting the workers to such sabotage as well as the printed decision of the CGT to induce and encourage such actions have gone unprosecuted although a law exists which punishes such incitement with prison. Secondly, the Commission of Inquiry is used by the able Communist member Kriegel-Valrimont to throw discredit on as many politicians and public servants as possible; his presence on that commission is a paradox, since the event under investigation is the passing of a military report into Indo-Chinese Communist hands: a greater paradox is that he was not evicted when he started to give the Communist paper l'Humanité a verbatim account of the proceedings which it had at first been agreed to keep secret, nor again when he opened and published a letter which was not addressed to him but to the chairman of the Committee who thus first saw it in l'Humanité. The third prong of the Communist attack is the wage agitation. Here lack of foresight and initiative allowed the Communists to stir up trouble despite the lack of aggressiveness of the workers who, ill-paid but unwilling to strike, would have welcomed a modest rise if quickly granted.

Finally, the fourth prong of the attack is in the Chamber of Deputies where the Government has introduced a bill dealing with sabotage. The law is written to take care of the present situation -- a practice which should be avoided, all the more so because there is ample provision already on the statute books. Even in the Thirties the Chamber of Deputies had lost the formality a parliament must preserve if it is to retain the respect of the public. It has become worse since the war. But it had never been the scene of such outrages as have occurred on March 3 and ensuing days. While a vote was in progress a young Communist member rushed to the rostrum. He was tackled by ushers; in the meantime another of his team stepped up to the presiding officer's chair, which overlooks the rostrum and thence vaulted down to the rostrum while the whole battalion of Communists moved forward to form around him a fighting square, with women's claws in the first rank and men's fists in support. The Communist brigade remained in possession for seven hours when, after the riot act had been read to them, they were ejected by the Gardes Mobiles, an anti-riot police recruited among veterans.

It is remarkable that the popular evening papers treated this outrage as excellent fun, a bit of horseplay relieving the dreariness of parliamentary proceedings; and one of them published, on its front page, a diagram of the fight in progress, showing how the Communist quarterback dodged the ushers to land on the rostrum, and where the former Minister of Justice was felled and so forth. The pictures of the main Communist offenders male and female were given as those of the outstanding champions. This indeed was the spirit in which it was taken by the greater part of the public: "athletics in the Parliament". It went almost unnoticed, except by elder statesmen, that soldiery had been called into the Chamber for the first time in 150 years. The last instance was the "Dix-Huit Brumaire", the occasion on which Napoleon Bonaparte seized power. Then force was called upon to establish arbitrary

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power. This time it is the most confirmed democrat in France, President Herriot who had to call upon the soldiery to prevent the destruction of Parliament by a number of its members. This is a sinister omen.

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NEUTRALITY? Talk of neutrality in some French newspapers has shocked Washington. It is certainly untimely after military agreements have been passed and when American material is on its way. I have been asked whether France was indeed going to plump for neutrality or would play her part as the mainstay of Western European defense. Both terms of the alternative are unrealistic.

Neutrality? I recently found notes I had made in 1936 of a discussion with a Belgian statesman who explained to me why his country, tied to France as a sequel of the 1914 war, was returning to neutrality: it was to be kept out of the impending war. The restoration of Belgian neutrality did not save the country from invasion: it only precluded military co-operation in time and lead to the grand improvisation of May, 1940, when the Belgian call for help caused the headlong rush into disaster of the French Army. It is childish to think that the word neutral can be painted on a country and make it secure.

If suggestions to this effect are irresponsible and absurd they are characteristic of French worry at the position France is assuming. The "vanguard of democracies" in 1940; France was crushed under weight of numbers and armaments. She is materially weaker today, badly shaken by her past ordeal, morally divided and hesitant, bereft of leadership. No sensible general would put such a force in his first line of battle. He would consolidate it behind a strong covering force.

Talk of neutrality springs from the well-founded feeling that under the present setup France is a sacrificed vanguard; and, rather than the blueprint of a policy, it is an expression of dismay in face of the tasks blithely assumed by our representatives.

The inexperienced and presumptuous men who have spoken in the name of France since the war have, almost to a man, failed to make the point which former Premier Queuille sensibly made, that European defense must be set up far to the east of the Rhine. Anyone who believes that the thin horseshoe of European shore from Spitzbergen to Constantinople can be held in a war must have failed to use either a map or his head. It is, therefore, indispensable that Western defense should be pushed forward in Germany. It should have been on the Polish border had Poland not been sacrificed at Yalta, or had Washington used its opportunities to demand the retreat of Russian troops from Europe.

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GERMANY: Your correspondent finds Western policy towards Germany too subtle for his understanding. That we should want to punish Germany for the war crimes was legitimate. That we should want to win the Germans to our side in the world struggle for freedom was natural under the circumstances. Between these two purposes a choice had to be made. Or a succession had to be introduced: a time for punishment, a time for alliance. When we set up the Bonn government we implied that the time for punishment was over. For this government was designed to win the German nation over to the democratic and Western camp: this it could do if we were to treat this government as an ally. Obviously Bonn could not win the Germans to our side if the Adenauer government were represented to the nation as subservient to victors still bent upon punishment. If the Bonn government is to be successful with the Germans it must be honorably and even lavishly treated by the Western allies. Apparently this is too simple a view. The proponents of Western democracy in Germany are to be saddled and handicapped with a lot of unpopular measures which the Allies are still taking or carrying through. The task assigned to Bonn is not easy: are we well advised in making it more difficult?

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